

Irrigation and M&I
R.O. 10/31-2001
Rev. R.O. 11/01-2001
Rev. R.O. 11/12-2002
Rev. R.O. 01/22-2003
Contract No.
14-06-200-3598A-IR7

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Central Valley Project, California

INTERIM RENEWAL CONTRACT BETWEEN THE UNITED STATES
AND
PATTERSON IRRIGATION DISTRICT
PROVIDING FOR PROJECT WATER SERVICE

THIS CONTRACT, made this 21st day of February, 2003, in
pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory or
supplementary thereto, including, but not limited to, the acts of August 26, 1937 (50 Stat. 844), as
amended and supplemented, August 4, 1939 (53 Stat. 1187), as amended and supplemented, July 2,
1956 (70 Stat. 483), June 21, 1963 (77 Stat. 68), October 12, 1982 (96 Stat. 1263), as amended and
Title XXXIV of the Act of October 30, 1992 (106 Stat. 4706), all collectively hereinafter referred to
as Federal Reclamation law, between THE UNITED STATES OF AMERICA, hereinafter referred
to as the United States, and PATTERSON IRRIGATION DISTRICT, hereinafter referred to as the
Contractor, a public agency of the State of California, duly organized, existing, and acting pursuant
to the laws thereof, with its principal place of business in Patterson, California;

WITNESSETH, That:

EXPLANATORY RECITALS

WHEREAS, the United States and the Contractor entered into an interim renewal
contract identified as Contract No. 14-06-200-3598A-IR6, hereinafter referred to as the Existing
Interim Renewal Contract, which provides for the continued water service to the Contractor from
March 1, 2002, through February 28, 2003; and

WHEREAS, Contract No. 14-06-200-3598A, the original contract that was renewed through the interim renewal contracts including the Existing Interim Renewal Contract, provided that the United States would furnish to the Contractor, each year, 6,000 acre-feet of replacement water in addition to the 16,500 acre-feet each year of Project Water to reach a full and complete settlement and complete release of the United States from liability of any nature with respect to any and all of the Contractor's claims that the construction and operation of the Central Valley Project has interfered with its right in and the use of the waters of the San Joaquin River; and,

WHEREAS, interim renewal contracts Nos. 14-06-200-3598A-IR1, 14-06-200-3598A-IR2, 14-06-200-3598A-IR3, provided that the United States would continue to provide both the Project Water and replacement water to the Contractor from March 1, 1995, through November 30, 2000; and

WHEREAS, for unknown reasons, interim renewal contracts Nos. 14-06-200-3598A-IR4, 14-06-200-3598A-IR5, and 14-06-200-3598A-IR6 provided that the United States would continue to provide Project Water to the Contractor but not replacement water; and

WHEREAS, the parties intend to clarify, through execution of this Interim Contract No. 14-06-200-3598A-IR7 that it was their mutual intent to continue uninterrupted service of 6,000 acre-feet annually of replacement water to Contractor from the Delta-Mendota Canal free of charge through all of their preceding interim renewal contracts; and

WHEREAS, the United States and the Contractor believe that further negotiations on the long-term renewal contract would be beneficially and mutually commit to continue to negotiate to seek to reach agreement, or the required environmental review necessary to execute a long-term renewal contract has not been completed, and the Contractor has requested a subsequent interim renewal contract pursuant to Article 2(b)(1) of the Existing Interim Renewal Contract; and

WHEREAS, the United States has determined that the Contractor has to date fulfilled all of its obligations under the Existing Interim Renewal Contract; and,

WHEREAS, the United States is willing to renew the Existing Interim Renewal Contract pursuant to the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the mutual and dependent covenants herein contained, it is hereby mutually agreed by the parties hereto as follows:

INCORPORATION AND REVISION OF EXISTING INTERIM RENEWAL CONTRACT

1. The terms and conditions of the Existing Interim Renewal Contract are hereby incorporated by reference into this Contract with the same force and effect as if they were included in full text with the exception of Articles 1, 3, and 12, thereof, which are revised as follows:

(a) The first sentence in Subdivision (a) of Article 1 of the Existing Interim Renewal Contract is modified as follows: "This interim renewal contract shall be effective from March 1, 2003, and shall remain in effect through February 29, 2004, and thereafter will be renewed as described in Article 2(a) of Interim Renewal Contract No. 14-06-200-3598A-IR5 if a long-term renewal contract has not been executed with an effective commencement date of March 1, 2004."

(b) Subdivision (b) of Article 1 of the Existing Interim Renewal Contract is amended by deleting the date "February 15, 2003," and replacing same with the date "February 15, 2004."

(c) Subdivision (c) of Article 1 of the Existing Interim Renewal Contract is amended by deleting the dates "February 1, 2003," "February 15, 2003," and "February 28, 2003," and replacing same with the dates "February 1, 2004," "February 15, 2004," and "February 29, 2004," respectively.

(d) Subdivision (h) is added to Article 3 as follows:

78 3. (h) In addition to water to be provided under subdivision (a) of this
79 Article,
80 each year the United States shall furnish from the Delta-Mendota Canal, free of charge to the
81 Contractor (including free from obligation to pay Rates or Charges hereinafter provided for), and in
82 accordance with the schedule submitted pursuant to Article 4, 6,000 acre-feet of water, hereinafter
83 referred to as “replacement water.” For purposes of this subdivision, the United States shall
84 consider replacement water to be the first 6,000 acre-feet furnished to the Contractor in any given
85 year.

86 4. Subdivision (e) is added to Article 12 as follows:

87 12. (e) Notwithstanding other provisions of this Contract, replacement water
88 will bear shortages and be reduced during times of reduced water supplies based on the same
89 percentage of reduction of supplies implemented by the Second Amended Contract for Exchange of
90 Waters, dated February 14, 1968, between the United States and the Central California Irrigation
91 District, Columbia Canal Company, San Luis Canal Company, and Firebaugh Canal Company,
92 Contract No. I1r-1144.

93 IN WITNESS WHEREOF, the parties hereto have executed this interim renewal
94 contract as of the day and year first above written.

95 APPROVED AS TO LEGAL THE UNITED STATES OF AMERICA
FORM AND SUFFICIENCY

/s/ James E. Turner

OFFICE OF REGIONAL SOLICITOR
DEPARTMENT OF THE INTERIOR

96 By: /s/ Kirk C. Rodgers
97 Regional Director, Mid-Pacific Region
98 Bureau of Reclamation

99 (SEAL) PATTERSON IRRIGATION DISTRICT

100 By: /s/ John Barbaste
101 President

102 Attest:

103 /s/ Joe F. Perry
104 Secretary